

LESSON PLAN

Unit 7. MILITARY PAY SYSTEM/LES

X-XXX-XXX2 Rev B

Topic 7.1 Military Pay System/LES

CLASS PERIODS: 1

LAB PERIODS: 0

Enabling Objectives:

- 3.1 **IDENTIFY** how Sailors are paid in accordance with Department of Defense Military Pay and Allowance Entitlements Manual, NAVSO P-6048
- 3.2 **IDENTIFY** how to understand your Leave and Earnings Statement (LES) in accordance with Department of Defense Military Pay and Allowance Manual, NAVSO P-6048

Trainee Preparation Materials:

A. Trainee Support Materials:

- 1. None

B. Reference Publications:

- 1. None

Instructor Preparation:

- A. Review Assigned Trainee Material

B. Reference Publications:

- 1. Department of Defense Military Pay and Allowance Entitlements Manual, NAVSO P-6048
- 2. Disbursing Clerk, NAVEDTRA 10274H

C. Training Materials Required:

- 1. Transparencies
 - a. Benefits of DDS, 7-1-4
 - b. DDS, 7-1-3
 - c. LES, 7-1-7
 - d. Military allowances., 7-1-6
 - e. Military Pay System/LES, 7-1-1
 - f. Military pay..., 7-1-5
 - g. Payday, 7-1-2
 - h. Summary, 7-1-8

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DISCUSSION POINT

1. Introduction

RELATED INSTRUCTOR ACTIVITY

1. Establish Contact.

Write name on VAP board.

Introduce Yourself.

Often when a Sailor thinks of military pay, he or she thinks of only what they get in their paycheck. Actually, the full range of military pay goes way beyond just the monthly salary. Military pay is made up of several elements which could include, not only basic pay and allowances for quarters and subsistence, but a number of special and incentive pays such as flight pay, sea pay, hazardous duty pay, proficiency pay, and bonuses. All of these could be listed on your Leave and Earnings Statement (LES) and that is why it is important to have an understanding of your military pay as well as your LES.

State Lesson Objectives.

2. Military Pay System/LES

2. Show Transparency 7-1-1, Military Pay System/LES.

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DISCUSSION POINT

- a. Know what amount of money is coming to you. Pay attention to your pay.
- b. How Sailors are paid:
 - (1) All Sailors are paid on the 1st and 15th of each month (unless the scheduled payday falls on a weekend or holiday).
 - (2) All Sailors are on the Direct Deposit System (DDS), net pay amounts are sent to the financial institution designated by the Sailor.
 - (a) These payments are sent via electronic funds transfer through the Federal Reserve Bank. Navy policy now requires almost all active duty servicemembers to elect DDS.

RELATED INSTRUCTOR ACTIVITY

- (1) Show Transparency 7-1-2, Payday.
- (a) Show Transparency 7-1-3, DDS.

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DISCUSSION POINT

- (b) Sailors are responsible to ensure that the account selected for DDS payments is open and in good standing. Net pay paid through DDS can only go to one account.

- (c) Benefits of DDS:

- 1) No more waiting in line to get paid or cash/deposit a check
- 2) Your pay cannot be stolen out of a locker
- 3) Dependents are taken care of during deployments
- 4) Your pay is available in your account on payday

RELATED INSTRUCTOR ACTIVITY

- (c) Show Transparency 7-1-4, Benefits of DDS.

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DISCUSSION POINT

- 5) You have a bank account or checking account and manage it properly

- c. Military Pay (taxable under most circumstances)

- (1) Basic pay

- (2) Sea pay

- (3) Submarine pay

- (4) Crew member flight pay

- (5) Aviation career incentive pay

- (6) Hazardous duty incentive pay

RELATED INSTRUCTOR ACTIVITY

- c. Reference Department of Defense Military Pay and Allowance Entitlements Manual, NAVSO P-6048.

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

(7) Hostile fire pay/Imminent danger pay/Combat pay

(8) Diving duty pay

(9) Special duty assignment pay

(10) Foreign language proficiency pay

(11) Certain places pay (also known as "foreign duty pay")

(12) Special pay for nuclear qualified enlisted members

(13) Various pays for doctors, dentists, nurses, etc.

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DISCUSSION POINT

- (14) These pays may be based on pay grade, years of service, years of sea service, years of aviation experience, billet (or NEC), location of billet, and qualifications, or any combination of these. If you think you are entitled to a pay, but are not getting it, see your local Disbursing Officer as soon as possible.

d. Military Allowances (non-taxable)

- (1) Basic Allowance for Housing (BAH)
- (2) Overseas Housing Allowance (OHA)
- (3) Basic Allowance for Subsistence (BAS)
- (4) Clothing Maintenance Allowance (CMA)
- (5) Family Separation Allowance (FSA)

RELATED INSTRUCTOR ACTIVITY

- (14) Show Transparency 7-1-5, Military pay...

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DISCUSSION POINT

RELATED INSTRUCTOR ACTIVITY

- (6) Travel Allowances (mileage, per diem)
- (7) Mileage in Lieu of Transportation (MALT)
- (8) Temporary Lodging Expense (TLE)
- (9) Temporary Lodging Allowance (TLA) - overseas only
- (10) Dislocation Allowance (DLA)
- (11) CONUS COLA - designated area only
- (12) Move-In Housing Allowance (MIHA) - overseas only and Cost of Living Allowance (COLA) - mostly overseas

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DISCUSSION POINT

- (13) Allowances are based on many different circumstances and criteria, varying from whether or not you have dependents, to whether or not you are authorized to live off base. If you think you are entitled to an allowance, but are not getting it, see your local Disbursing Officer as soon as possible.

RELATED INSTRUCTOR ACTIVITY

- (13) Show Transparency 7-1-6, Military allowances...

3. Understanding your Leave and Earning Statement (LES)

- a. It is a computer printout of the information contained on a Sailor's master Military Pay Account (MPA).

- b. Copy provided to Sailor:

- (1) The 15th of each month (unless the 15th is on a weekend or a holiday)
- (2) When a servicemember reports on Permanent Change of Station (PCS) Orders to a new command (called a "joining" LES)

3. Reference Disbursing Clerk, NAVEDTRA 10274H.

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DISCUSSION POINT

- (3) After an MPA is closed (discharge or release from active duty)
- (4) Upon request of Personnel Support Division (PSD)
- c. Sections of the LES:
 - (1) Fields 1 through 9 contain the identification portions of the LES
 - (2) Fields 10 through 22 contain the entitlements, deductions, allotments, their respective totals and a mathematical summary portion
 - (3) Fields 23 through 30 contain your leave information
 - (4) Fields 31 through 36 contain Federal Tax withholding information

RELATED INSTRUCTOR ACTIVITY

- c. Show Transparency 7-1-7, LES.
 - (1) Field 6 ETS is the Expiration of Term of Service in year/month/day format. Also means Expiration of Active Obligated Service (EAOS).
 - (4) Field 33 Ms is Marital status. Field 34 Ex is the number of Exemptions.

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DISCUSSION POINT

- (5) Fields 37 through 41 contain Federal Insurance Contributions Act (FICA) information
- (6) Fields 42 through 47 contain State Tax information
- (7) Fields 48 through 60 contain additional Pay Data
- (8) Field 61 is Remarks. Notices of start and stop and changes to a Sailor's pay
- (9) Field 62 is YTD ENTITLE. This is the cumulative total of all entitlements for the calendar year
- (10) Field 63 YTD DEDUCT. This is the cumulative total of all deductions for the calendar year

RELATED INSTRUCTOR ACTIVITY

- (7) Field 54 JFTR is the Joint Federal Travel Regulation code on the location of the Sailor for cost of living allowance. Field 59 is not used by the Navy. Field 60 Pacidn is the unit identification code.

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DISCUSSION POINT

4. Summary
 - a. How Sailors are Paid
 - b. Military Pay
 - c. Military Allowances
 - d. LES
5. Assignment
 - a. None
6. Evaluation
 - a. None

RELATED INSTRUCTOR ACTIVITY

4. Show Transparency 7-1-8, Summary.